

FIDELITY SELECT FUNDRANKER™

Volume 8 Issue 2

The Right Funds at the Right Time

February 2013

Strong January Performance

The broad market posted its best monthly gain since October, 2011, and gave the S&P 500 its third monthly gain in a row.

All eight funds in the *Top Eight Model Portfolio* gained value in January. Brokerage & Investment Management outperformed with a one-month gain of 10.11%. Construction & Housing, Financial Services, Multimedia, Environment & Alternative Energy, Consumer Finance, and Chemicals followed with one-month gains ranging from 7.26% to 4.55%. Automotive trailed with a one-month gain of 2.49%.

During January, the *Top Eight Model Portfolio* gained 5.744%, the S&P 500 Index gained 5.169%, and the Nasdaq Composite Index gained 4.040%.

Final Performance of Funds Sold on January 4

Fundranker exchanged four funds on January 4. Here are the returns they contributed to the *Top Eight Model Portfolio*:

Fund	Bought	Sold	Return
Biotechnology (FBIOX)	5/9/2011	1/4/2013	43.21%
Consumer Staples (FDFAX)	12/5/2012	1/4/2013	0.55%
Health Care (FSPHX)	9/4/2012	1/4/2013	5.86%
Retailing (FSRPX)	12/5/2012	1/4/2013	0.88%

Bull Market Sets New Highs

As the bull market that began in March, 2009, nears its fourth anniversary, it is showing considerable strength. The broad-market S&P 500 Index set 11 new bull market highs in January.

Market headlines in January touted five-year highs for the S&P 500 Index. A little known fact about the S&P 500 Index is that it is based solely on prices of its underlying stocks, does not take dividends into account, and therefore does not show total return. On a total return basis, the S&P 500 set all-time highs as early as last August and most recently on January 29. See *Fundranker's* recent blog post about [Stock Indexes vs. Total Return](#).

Economy Contracts in Fourth Quarter of 2012

The Commerce Department reported this week that U.S. GDP contracted at an annual rate of 0.1% during the fourth quarter of 2012. While that overall figure certainly is disconcerting, underlying data in the report show there is no need for panic. If not for slower inventory growth (which retailers eventually will reverse) and the deepest cut in defense spending in 40 years (which isn't likely to happen again), the economy would have grown at a 2.5% rate.

This sudden, unexpected drop in our economy, however, should be a warning to Congress of just how fragile this recovery is. Congress must act by March 1 to prevent automatic across-the-board budget cuts (sequester) from taking effect, by March 27 so that legislation that keeps the government operating for this fiscal year won't expire, and by sometime in August to increase the debt limit still again. Political brinkmanship undoubtedly will be the order of the day; we just hope that Congress somehow can compromise before sequester occurs, before the government shuts down, and before the government defaults on U.S. debt.

Consumer Confidence Falls in January

The Conference Board reported this week that consumer confidence fell in January to its lowest level since November 2011. Consumer confidence is considered to be a contrarian or lagging indicator, so this reading may be a good sign for the market.

Holding Period Alert

If you purchased shares after January 4 of any funds which are being exchanged on February 4, to avoid roundtrip transactions under Fidelity's frequent trading policy for Select funds, you should wait at least 30 days after your purchase before exchanging them.

For example, if you purchased shares of Chemicals on January

7, you should wait a full 30 days and exchange Chemicals on February 6 to avoid a roundtrip transaction.

Investing New Money

If you are a new subscriber, or you have new money to invest using the *Fundranker* system, first put the new money into Select Money Market. To minimize exposure to roundtrip transactions, on the next *Invest New Money Date* (see box below), exchange your new money into the funds in the *Top Eight Model Portfolio* for that month. New subscribers should allocate equal amounts to each of the eight funds. If you already have a portfolio of *Top Eight* funds, allocate new money only to funds that are not being exchanged this month to balance those funds as much as possible.

Subscribe to Fidelity Select Fundranker

You can subscribe to *Fidelity Select Fundranker* for \$49/first year, \$99/year thereafter. For these yearly fees, you will receive 12 issues of *Fidelity Select Fundranker* newsletter via email on the first day of each month. You also will receive an email in advance of each issue to alert you to the upcoming issue and the likelihood of the possible exchange dates, so that you can plan ahead for your exchanges. *Fidelity Select Fundranker* has a website, www.fundranker.com, with a wealth of historical information about the *Fundranker* system, but subscribing to the newsletter is the only way to get timely notice of the monthly exchanges. To subscribe, click the Subscribe button at www.fundranker.com.

Questions and Suggestions

Do you have a question about investing using the *Fundranker* system or a suggestion for the newsletter or website? Check the *FAQs*, peruse the *Fundranker Blog*, or use the *Contact Us* form at www.fundranker.com. We welcome your input.

Top Eight Model Portfolio for February 2013

Fund Name (Symbol)	Purchase	Return to 1/31
1. Construction & Housing (FSHOX)	9/4/2012	20.32%
2. Brokerage & Invest Mgmt (FSLBX)	11/5/2012	15.12%
3. Multimedia (FBMPX)	7/2/2012	18.89%
4. IT Services (FBSOX)	2/4/2013	
5. Insurance (FSPCX)	2/4/2013	
6. Financial Services (FIDSX)	1/4/2013	3.45%
7. Air Transportation (FSAIX)	2/4/2013	
8. Automotive (FSAVX)	1/4/2013	(0.45)%
Funds to be sold on February 4:		
11. Chemicals (FSCHX)	1/4/2013	1.29%
12. Consumer Finance (FSVLX)	3/5/2012	23.03%
14. Environment & Alt Energy (FSLEX)	1/4/2013	2.28%

Fundranker Exchanges for February 4

Sell Chemicals (FSCHX), buy IT Services (FBSOX)
Sell Consumer Finance (FSVLX), buy Insurance (FSPCX)
Sell Env & Alt Energy (FSLEX), buy Air Transportation (FSAIX)

Fundranker Invest New Money Date

Invest new money on February 4.

Optional Rebalancing Exchange Dates

Method 1: none; Method 2: none; Method 3: February 4 (see the rebalancing FAQ at www.fundranker.com for more information)

Upcoming Fundranker Exchange Date

If all funds to be exchanged in March have been held more than one month, *Fundranker* will exchange on Monday, March 4; otherwise, to avoid roundtrip transactions, *Fundranker* will exchange on March 6.

Fidelity Select Fundranker is published via email on the first day of each month and is edited by Harvey J. Poorbaugh. Subscriptions are available at \$49/first year, \$99/year thereafter. *Fidelity Select Fundranker* is not affiliated with Fidelity Investments. All facts and figures are obtained from reliable sources but are subject to revision. Past results are never an assurance of future performance. The information in this newsletter is not intended as individualized investment advice. For more information, go to www.fundranker.com. © 2013 Fidelity Select Fundranker

<i>Fundranker Ratings for 1/31/13</i>	12-Month	6-Month	3-Month	1-Month	<i>Fundranker</i>	<i>Fundranker</i>
Fund (Symbol)	Return %	Return %	Return %	Return %	Rating**	Ranking
Air Transportation (FSAIX)	15.90	18.82*	15.14*	6.82*	17.170	7
Automotive (FSAVX)	14.08	25.95*	18.01*	2.49	17.133	8
Banking (FSRBX)	21.22	9.39	5.68	5.28	10.393	27
Biotechnology (FBIOX)	30.21*	11.53	10.83	7.32*	16.973	9
Brokerage & Investment Mgmt (FSLBX)	26.30*	28.33*	15.30*	10.11*	24.010	2
Chemicals (FSCHX)	19.65	16.78*	12.67*	4.55	15.413	11
Communications Equipment (FSDCX)	5.28	21.46*	19.46*	5.65	14.963	13
Computers (FDCPX)	7.08	3.61	8.47	4.46	5.905	37
Construction & Housing (FSHOX)	37.44*	28.23*	12.62*	7.26*	25.388	1
Consumer Discretionary (FSCPX)	20.00	13.00	8.04	5.99	11.758	23
Consumer Finance (FSVLX)	32.14*	14.98	5.89	4.59	15.400	12
Consumer Staples (FDFAX)	23.29*	8.04	7.24	5.90	12.118	21
Defense & Aerospace (FSDAX)	10.51	12.85	8.12	2.65	8.533	32
Electronics (FSELX)	(4.56)	5.36	14.35*	6.00	6.288	35
Energy (FSENX)	7.17	13.33	8.07	8.05*	10.155	28
Energy Service (FSESX)	7.35	13.86	15.22*	11.71*	14.035	16
Environment & Alternative Energy (FSLEX)	13.66	17.78*	13.43*	5.45	14.580	14
Financial Services (FIDSX)	21.93*	17.59*	10.33	6.87*	17.180	6
Gold (FSAGX)	(26.96)	(2.20)	(18.37)	(7.60)	(13.783)	39
Health Care (FSPHX)	21.76*	14.71	7.82	6.51	13.700	17
Industrial Equipment (FSCGX)	14.42	16.05	11.14	5.74	11.838	22
Industrials (FCYIX)	16.81	16.66	11.92	6.45	12.960	20
Insurance (FSPCX)	23.17*	19.11*	8.70	7.39*	17.593	5
IT Services (FBSOX)	22.29*	17.86*	11.48	8.78*	18.103	4
Leisure (FDLSX)	11.13	17.57*	12.56*	5.51	13.693	18
Materials (FSDPX)	11.68	15.22	8.32	3.75	9.743	30
Medical Delivery (FSHCX)	7.41	10.40	2.80	3.61	6.055	36
Medical Equipment & Systems (FSMEX)	16.91	16.42	12.05*	9.86*	15.810	10
Multimedia (FBMPX)	33.45*	18.40*	8.90	5.61	18.590	3
Natural Gas (FSNGX)	7.20	7.46	8.50	7.91*	8.768	31
Natural Resources (FNARX)	2.21	13.13	5.81	6.67	6.955	34
Pharmaceuticals (FPHAX)	20.36	9.69	7.68	6.58	11.078	24
Retailing (FSRPX)	24.80*	12.88	9.10	6.16	14.235	15
Software & Computer Services (FSCSX)	16.05	12.40	8.92	6.06	10.858	26
Technology (FSPTX)	10.29	6.44	4.51	1.95	5.798	38
Telecommunications (FSTCX)	22.43*	6.43	3.98	2.77	9.903	29
Transportation (FSRFX)	11.36	13.25	13.62*	8.47*	13.675	19
Utilities (FSUTX)	17.92	3.97	4.06	5.81	7.940	33
Wireless (FWRLX)	18.18	14.18	7.98	3.86	11.050	25

*Bonus point for being in the top 12 positive returns for a specific period

**Bonus points plus average of 12-, 6-, 3-, and 1-month returns

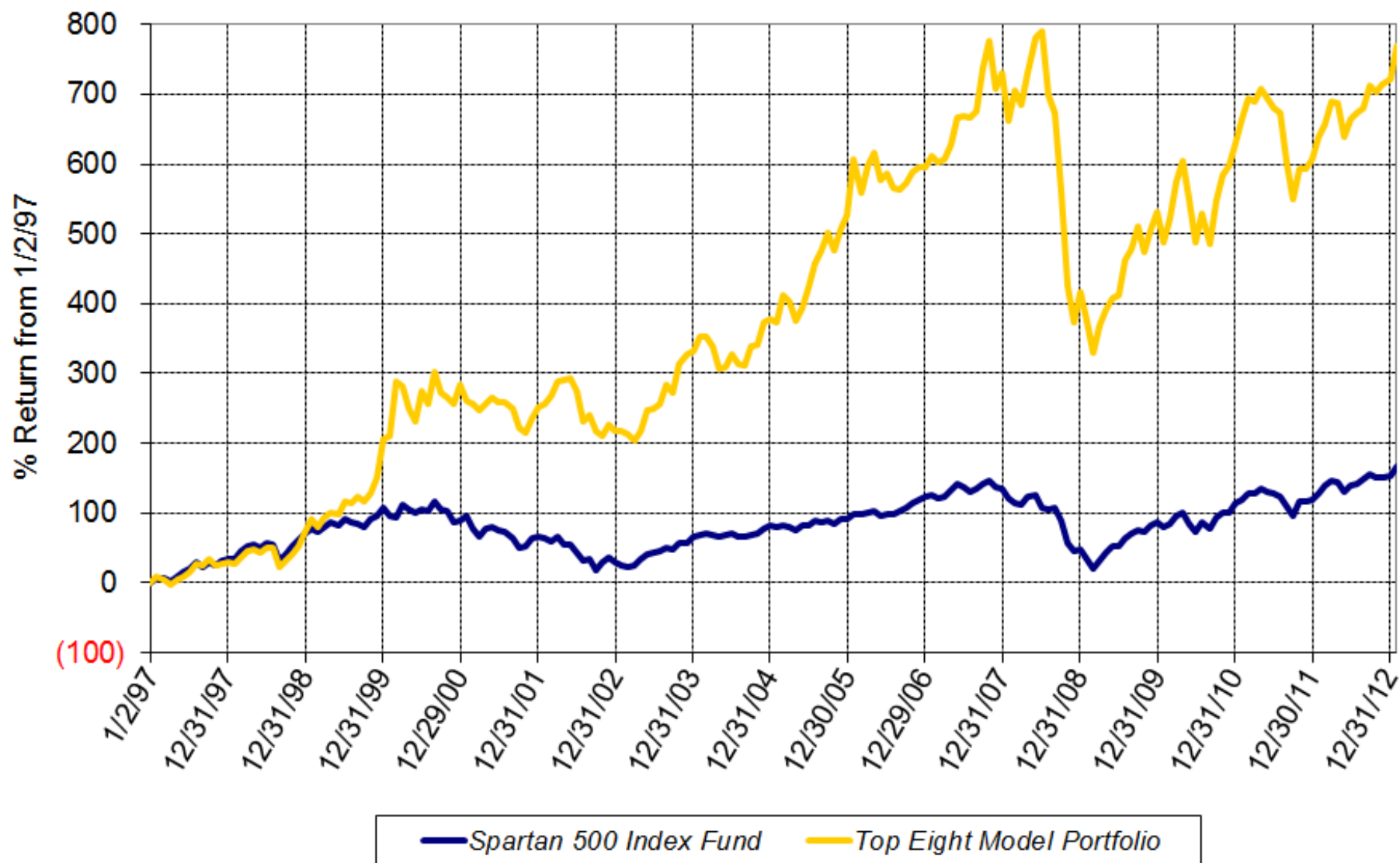
Sell on February 4, 2013

Buy on February 4, 2013

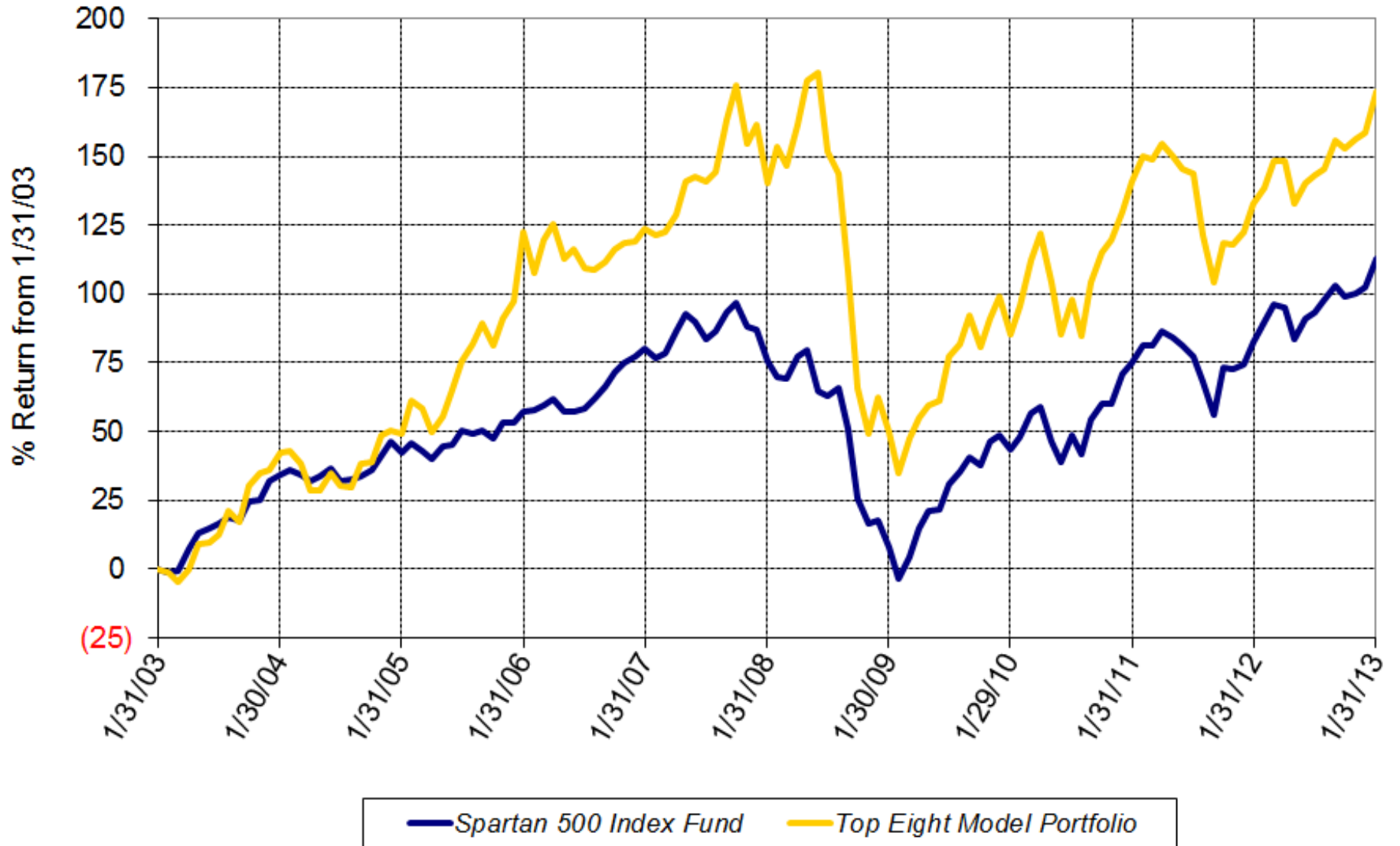
Hold

Fundranker Performance for January 2013													
12/31 Funds	12/31 Shares	12/31 Amount	<=1/4 Div Shrs	1/4 Shares	1/4 Amount	1/4 Funds	1/4 Shares	1/4 Amount	>1/4 Div Shrs	1/31 Shares	1/31 Amount	Jan Return	
FSHOX	515.607	25,141.00	none	515.607	25,713.32	FSAVX	633.891	25,463.39	none	633.891	25,349.30		
FBIOX	221.371	24,348.60	none	221.371	25,426.67	FSHOX	510.595	25,463.39	none	510.595	26,704.12		
FBMPX	438.428	25,143.85	none	438.428	25,941.78	FSLBX	486.128	25,463.39	none	486.128	26,843.99		
FSVLX	1,707.448	24,911.67	none	1,707.448	25,970.28	FSCCHX	207.171	25,463.39	none	207.171	25,790.72		
FSRPX	386.629	24,044.46	none	386.629	24,570.27	FIDSX	399.113	25,463.39	none	399.113	26,341.46		
FSLBX	510.014	25,577.20	none	510.014	26,714.53	FBMPX	430.343	25,463.39	none	430.343	26,065.88		
FSPHX	180.548	24,202.46	none	180.548	24,881.32	FSVLX	1,674.122	25,463.39	none	1,674.122	25,547.10		
FDFAX	299.669	23,979.51	none	299.669	24,488.95	FSLEX	1,448.429	25,463.39	none	1,448.429	26,042.75		
Top Eight		197,348.75			203,707.12			203,707.10			208,685.32	5.744	
FNCMX1	1,584.044	63,520.16	none						none	1,584.044	66,086.32	4.040	
FUSEX1	1,205.727	60,877.16	none						none	1,205.727	64,024.10	5.169	
Yearly Summaries				1997	1998	1999	2000	2001					
				Return %	Return %	Return %	Return %	Return %					
<i>Top Eight Model Portfolio</i>				29.144	33.441	76.892	25.824	(8.468)					
Nasdaq Composite Index Fund				N/A	N/A	N/A	N/A	N/A					
Spartan 500 Index Fund - Investor Class				33.628	28.498	20.633	(9.132)	(12.054)					
Yearly Summaries				2002	2003	2004	2005	2006					
				Return %	Return %	Return %	Return %	Return %					
<i>Top Eight Model Portfolio</i>				(9.333)	35.952	10.340	31.341	10.863					
Nasdaq Composite Index Fund				N/A	N/A	8.598	1.902	10.031					
Spartan 500 Index Fund - Investor Class				(22.173)	28.487	10.733	4.858	15.712					
Yearly Summaries				2007	2008	2009	2010	2011					
				Return %	Return %	Return %	Return %	Return %					
<i>Top Eight Model Portfolio</i>				19.463	(37.882)	22.518	15.464	(3.133)					
Nasdaq Composite Index Fund				10.497	(40.041)	44.959	17.811	(0.957)					
Spartan 500 Index Fund - Investor Class				5.426	(37.047)	26.502	14.842	2.036					
Yearly Summaries				2012	2013 YTD								
				Return %	Return %								
<i>Top Eight Model Portfolio</i>				16.302	5.744								
Nasdaq Composite Index Fund				17.325	4.040								
Spartan 500 Index Fund - Investor Class				15.929	5.169								
Lifetime Summary				1/2/97 to 1/31/13		1/2/97 to 1/31/13							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				769.522		14.393							
Nasdaq Composite Index Fund				N/A		N/A							
Spartan 500 Index Fund - Investor Class				166.767		6.291							
10-Year Summary				1/31/03 to 1/31/13		1/31/03 to 1/31/13							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				173.754		10.595							
Nasdaq Composite Index Fund				N/A		N/A							
Spartan 500 Index Fund - Investor Class				112.696		7.839							
5-Year Summary				1/31/08 to 1/31/13		1/31/08 to 1/31/13							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				13.961		2.648							
Nasdaq Composite Index Fund				37.459		6.570							
Spartan 500 Index Fund - Investor Class				21.039		3.893							
3-Year Summary				1/29/10 to 1/31/13		1/29/10 to 1/31/13							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				47.782		13.905							
Nasdaq Composite Index Fund				50.594		14.622							
Spartan 500 Index Fund - Investor Class				48.381		14.058							
1-Year Summary				1/31/12 to 1/31/13		1/31/12 to 1/31/13							
				Total Return %		Total Return %							
<i>Top Eight Model Portfolio</i>				17.713		17.713							
Nasdaq Composite Index Fund				12.984		12.984							
Spartan 500 Index Fund - Investor Class				16.701		16.701							

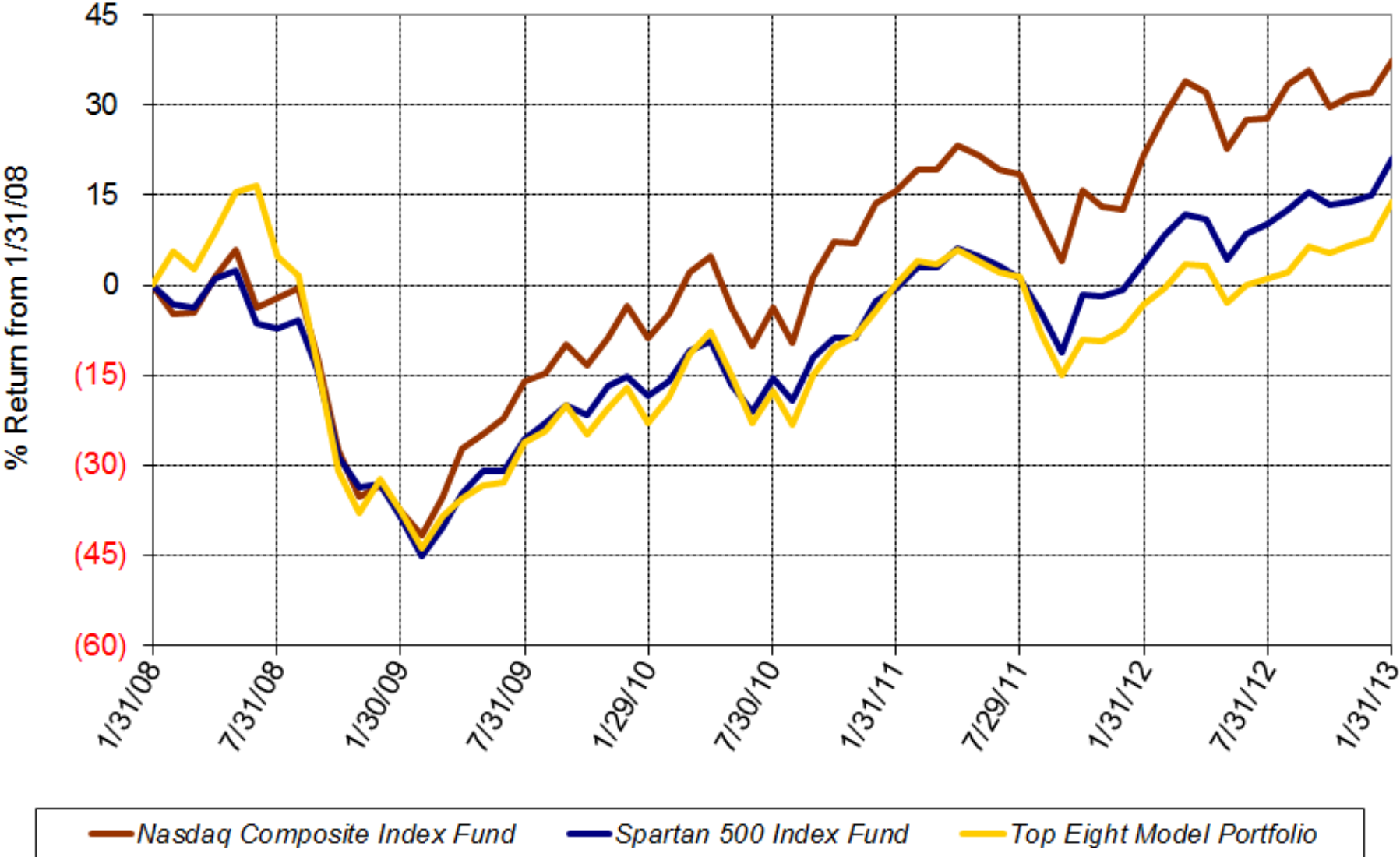
Lifetime Chart



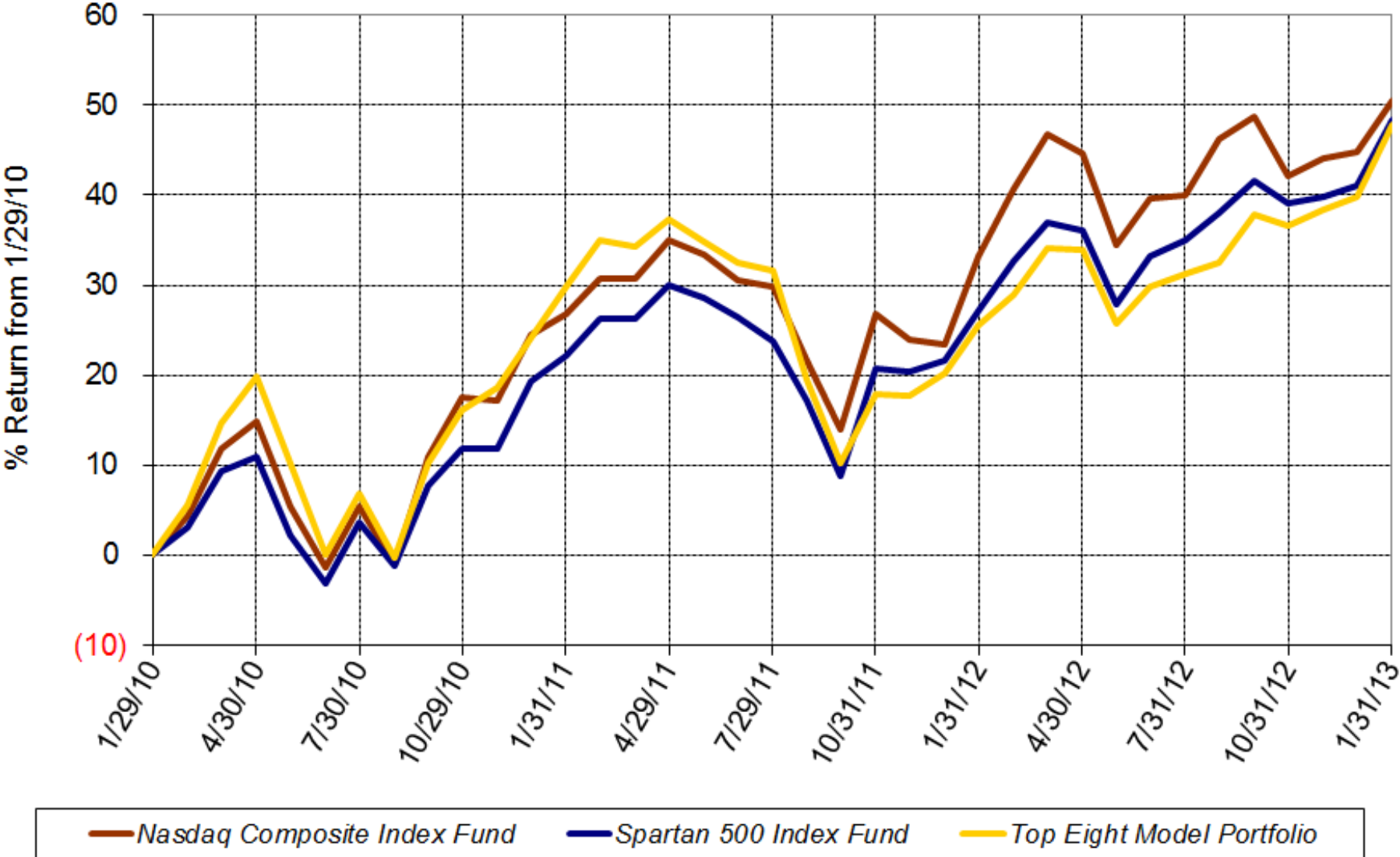
10-Year Chart



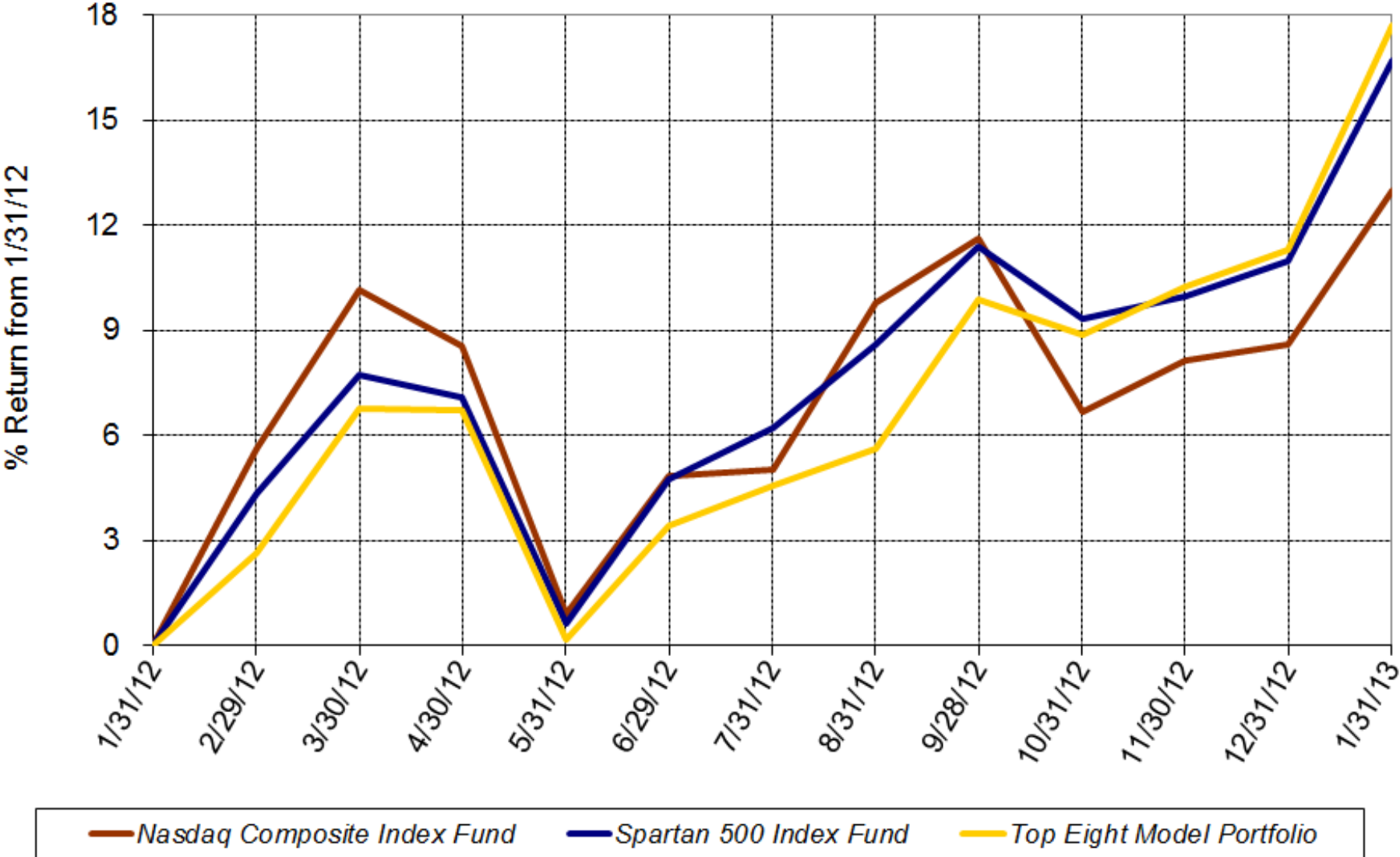
5-Year Chart



3-Year Chart



1-Year Chart



Daily Chart January 2013

